9 September 1988

MEMORANDUM FOR: Chairman, National Intelligence Council

Vice Chairman, National Intelligence Council

FROM:

Charles E. Allen

National Intelligence officer for Warning

SUBJECT:

Proposed Articles for DCI's Bi-weekly Warning Report

- l. My staff and I decided today that the following items warrant attention in the next edition of our Bi-weekly Warning Report for the Director, which you should receive on or about 21 September. Note that we often find-due to more detailed investigation, further consideration, changing events, or adequate coverage by the Community--that some issues ultimately do not meet our criteria for warning the DCI. Thus, you may not again see all of these topics:
 - Pakistan: Political Prospects. Pakistan is vulnerable to instability associated with the scheduled 16 November elections. PPP violence or declaration of martial law would be damaging to Pakistani and US interests. The US's best bet could be a court ordered delay in the elections until Pakistan adjusts further to the post-Zia era. Community analysts are focusing on the election outcome rather than implications of a postponement.
 - O Chile: Plebiscite Implications. The campaign continues to be tough.

 Both "yes" and "no" votes have major implications. The Communists remain a wild card. Violence is likely. The US can shoot itself in the foot with excessively loud demands for an opposition win.
 - O Honduras: Impact of Refugee Influx. The steady flow of armed Contras, families, and supporters is straining Honduran resources and patience. Tegucigalpa expects Washington to ease its burden and harbor the defeated rebels. The policy community has been slow to come to grips with the problem; it may be running out of time to settle the issue without major dislocation and recriminations.
 - o <u>Israel/West Bank/PLO: Dynamics</u>. The region is in a state of flux. The upcoming Israeli election and PLO decisions about its future role on the West Bank may lead to a new proposals that could reshape the political landscape. Harry will speculate about possibilities. The analysis will be especially conjectural.

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O	India: Crossing the Nuclear Threshold. The Indian Army has begun including employment of nuclear weapons in its command and general	
	staff training curriculum. India is developing nuclear capable delivery systems to each branch of service. This will improve India's capabilities and alarm Pakistan yet more.	25 X 1